



City of Danville, Virginia
Industrial Development Authority of Danville
P.O. Box 3300
Danville, Virginia 24543

November 7, 2017

NOTICE OF MEETING

TO: T. Neal Morris
C.G. Hairston
Richard L. Turner
John Laramore

Russell D. Reynolds
Landon R. Wyatt
Dr. Max Glass

A meeting of the Industrial Development Authority of Danville, Virginia has been called by the Chairman for Tuesday, November 14, 2017, at ** **10:30 a.m.** ** in the *****City Council Conference Room, 4th Floor, Municipal Building, Room 425***** Danville, Virginia.

This is an important meeting and your attendance is respectfully urged. If you cannot attend, please call the City Attorney's Office at 434-799-5122, as soon as possible.

/s/ Brooke Barksdale
Brooke Barksdale

Ken Larking, City Manager
Earl Reynolds, Deputy City Manager
W. Clarke Whitfield, Jr., City Attorney
Telly D. Tucker, Director Economic Development
Linwood Wright, Economic Development
Corrie Bobe, Economic Development
Kim Custer, Economic Development
Ken Gillie, Director of Community Development
Michael Adkins, Director of Finance

**MEETING OF THE
INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA
TUESDAY, NOVEMBER 14, 2017**

AGENDA

CALL TO ORDER

ROLL CALL

INDUSTRIAL DEVELOPMENT AUTHORITY:

1. APPROVAL OF MINUTES FROM REGULARLY CALLED MEETING ON OCTOBER 10, 2017.
2. MONTHLY FINANCIAL REPORT BY MICHAEL ADKINS.

ITEMS FOR DISCUSSION

3. STAFF UPDATES FROM ECONOMIC DEVELOPMENT ON VARIOUS TOPICS.
4. RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE ISSUANCE OF BOND FINANCING TO AVERETT UNIVERSITY.

A. PUBLIC HEARING

B. APPROVAL OF RESOLUTION

5. RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING STAFF TO PROCEED WITH THE DESIGN PHASE OF UPGRADING THE SIGNAGE AT AIRSIDE INDUSTRIAL PARK AT A COST NOT TO EXCEED \$25,000.
6. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING JOHN SELBACH OF THE LAW FIRM LECLAIR RYAN TO REPRESENTS THE AUTHORITY ON MATTERS DEALING WITH PROSPECTS FROM THE UK.

7. RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA RATIFYING PRIOR ACTION TO ALLOW AXNANO, LLC TO SUBLEASE PART OF 527 BRIDGE STREET, SUITE 301.
8. CLOSED MEETING
9. CONSIDER AND TAKE ACTION UPON ANY AND ALL BUSINESS THAT MAY BE LAWFULLY ENACTED AT A REGULAR MEETING OR DISCUSSED IN A CLOSED MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA.

ADJOURN

**INDUSTRIAL DEVELOPMENT AUTHORITY OF VIRGINIA
MINUTES OF MEETING
OCTOBER 10, 2017**

PURSUANT TO A WRITTEN NOTICE DATED OCTOBER 5, 2017, A COPY OF WHICH IS ATTACHED HERETO, A MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, WAS HELD IN THE FOURTH FLOOR CONFERENCE ROOM OF THE MUNICIPAL BUILDING ON TUESDAY, OCTOBER 10, 2017, AT 10:30 A.M.

THE FOLLOWING MEMBERS WERE PRESENT AND ABSENT:

PRESENT: T. NEAL MORRIS, CHAIRMAN
 C.G. HAIRSTON, VICE CHAIRMAN
 RICHARD L. TURNER, TREASURER
 JOHN H. LARAMORE
 LANDON WYATT
 RUSSELL D. REYNOLDS, SECRETARY-ARRIVED LATE
 MAX R. GLASS

ABSENT:

ALSO PRESENT: W. CLARKE WHITFIELD, JR., CITY ATTORNEY
 KIMBERLY FORD, LEGAL ASSISTANT
 KEN LARKING, CITY MANAGER
 MR. WHITTLE, COUNCILMAN
 TELLY TUCKER, ECONOMIC DEVELOPMENT
 CORRIE BOBE, ECONOMIC DEVELOPMENT
 LINWOOD WRIGHT, ECONOMIC DEVELOPMENT
 KELVIN PERRY, ECONOMIC DEVELOPMENT

T. NEAL MORRIS, CHAIRMAN, CALLED THE MEETING TO ORDER AT 10:30 A.M.

BOND PRESENTATION FROM AVERETT UNIVERSITY
ALL BOARD MEMBERS ARE IN FAVOR OF MOVING FORWARD WITH BONDS

MINUTES

COPIES OF THE MINUTES OF THE SEPTEMBER 12, 2017, MEETING WERE DISTRIBUTED TO THE MEMBERS WITH THEIR AGENDA PACKET. A MOTION WAS MADE BY MR. HAIRSTON TO APPROVE THE MINUTES. THE MOTION WAS SECONDED BY MR. LARAMORE AND CARRIED WITH MEMBERS PRESENT VOTING AS FOLLOWS:

MR. MORRIS	- AYE
MR. WYATT	- AYE
MR. LARAMORE	- AYE
MR. HAIRSTON	- AYE

MR. TURNER	- AYE
DR. GLASS	- AYE

UPDATE ON FINANCES

COPIES OF THE CURRENT FINANCIAL STATEMENTS WERE DISTRIBUTED TO THE MEMBERS. A MOTION WAS MADE BY MR. TURNER TO APPROVE THE FINANCIAL REPORT. THE MOTION WAS SECONDED BY MR. HAIRSTON AND CARRIED WITH MEMBERS PRESENT VOTING AS FOLLOWS:

MR. MORRIS	- AYE
MR. WYATT	- AYE
MR. LARAMORE	- AYE
MR. HAIRSTON	- AYE
MR. TURNER	- AYE
MR. REYNOLDS	- AYE
DR. GLASS	- AYE

RESOLUTIONS

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE EXECUTION OF THE PURCHASE CONTRACT AS WELL AS THE ACTUAL PURCHASE OF PARCEL NUMBER 00050, 628 NORTH MAIN STREET, FOR A PURCHASE PRICE NOT TO EXCEED \$25,500 AND CLOSING COST NOT TO EXCEED \$2,500.

MOTION MADE BY MR. HAIRSTON; 2ND BY MR. RE
VOTE CARRIED AS:

MR. MORRIS	- AYE
MR. WYATT	- AYE
MR. LARAMORE	- AYE
MR. HAIRSTON	- AYE
MR. TURNER	- AYE
MR. REYNOLDS	- AYE
DR. GLASS	- AYE

A RESOLUTION APPROVING AND AUTHORIZING THE CHAIRMAN OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA TO EXECUTE ALL LOAN DOCUMENTS NECESSARY TO CLOSE UPON AND BORROW A PRINCIPAL AMOUNT NOT TO EXCEED THREE MILLION EIGHT HUNDRED TWENTY-FIVE THOUSAND AND 00/100 DOLLARS (\$3,825,000) FROM AMERICAN NATIONAL BANK AND TRUST COMPANY FOR THE CONSTRUCTION OF A 28,000 SQUARE FOOT MANUFACTURING FACILITY FOR KYOCERA SGS TECH HUB, LLC.

MOTION MADE BY MR. TURNER; 2ND BY MR. LARAMORE

VOTE CARRIED AS:

MR. MORRIS	- AYE
MR. WYATT	- AYE
MR. LARAMORE	- AYE

MR. HAIRSTON	- AYE
MR. TURNER	- AYE
MR. REYNOLDS	- AYE
DR. GLASS	- AYE

MR. TURNER MOVED THE MEETING BE RECESSED AND THE BOARD IMMEDIATELY RECONVENE IN EXECUTIVE CLOSED MEETING FOR THE PURPOSE OF DISCUSSION CONCERNING A PROSPECTIVE BUSINESS OR INDUSTRY OR THE EXPANSION OF AN EXISTING BUSINESS OR INDUSTRY WHERE NO PREVIOUS ANNOUNCEMENT HAS BEEN MADE AS PERMITTED BY SUBSECTION (A)(5) OF SECTION 2.2-3711 OF THE CODE OF VIRGINIA, 1950, AS AMENDED; AND DISCUSSION OR CONSIDERATION OF THE ACQUISITION/DISPOSITION OF REAL PROPERTY FOR A PUBLIC PURPOSE WHERE DISCUSSION IN AN OPEN MEETING WOULD ADVERSELY IMPACT THE BARGAINING POSITION OF THE AUTHORITY AS PERMITTED BY SUBSECTION (A)(3) OF SECTION 2.2-3711 OF THE CODE OF VIRGINIA, 1950, AS AMENDED.

MOTION MADE BY MR. TURNER; 2ND BY MR. HAIRSTON

VOTE CARRIED AS:	MR. MORRIS	- AYE
	MR. WYATT	- AYE
	MR. LARAMORE	- AYE
	MR. HAIRSTON	- AYE
	MR. TURNER	- AYE
	MR. REYNOLDS	- AYE
	DR. GLASS	- AYE

MR. TURNER MOVED THE MEETING IMMEDIATELY RECONVENE INTO AN OPEN MEETING. THE MOTION WAS SECONDED BY MR. HAIRSTON AND CARRIED WITH THE MEMBERS PRESENT VOTING AS FOLLOWS:

MOTION MADE BY MR. TURNER; 2ND BY MR. HAIRSTON

VOTE CARRIED AS:	MR. MORRIS	- AYE
	MR. WYATT	- AYE
	MR. LARAMORE	- AYE
	MR. HAIRSTON	- AYE
	MR. TURNER	- AYE
	MR. REYNOLDS	- AYE
	DR. GLASS	- AYE

UPON RECONVENING, MR. TURNER MOVED THAT THE BOARD ADOPT A RESOLUTION CERTIFYING THAT TO THE BEST OF EACH MEMBER'S KNOWLEDGE THAT (1) ONLY PUBLIC BUSINESS MATTERS LAWFULLY EXEMPTED FROM OPEN MEETING REQUIREMENTS UNDER SECTION 2.2-3711 AND (2) ONLY SUCH PUBLIC BUSINESS MATTERS AS WERE IDENTIFIED IN THE MOTION BY WHICH THE CLOSED MEETING WAS CONVENED WERE HEARD, DISCUSSED OR CONSIDERED IN THE CLOSED MEETING.

MOTION MADE BY MR. TURNER; 2ND BY MR. HAIRSTON

VOTE CARRIED AS:	MR. MORRIS	- AYE
	MR. WYATT	- AYE
	MR. LARAMORE	- AYE
	MR. HAIRSTON	- AYE
	MR. TURNER	- AYE
	MR. REYNOLDS	- AYE
	DR. GLASS	- AYE

A VERBAL MOTION APPROVING AND AUTHORIZING THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA TO ENTER INTO A PURCHASE OPTION AGREEMENT WITH 523 LYN LLC WITH THE AGREEMENT TO BE APPROVED BY THE CHAIRMAN AND THE CITY ATTORNEY.

APPROVAL FROM THE CHAIRMAN AND THE CITY ATTORNEY.

MOTION MADE BY MR. TURNER; 2ND BY MR. HAIRSTON

VOTE CARRIED AS:	MR. MORRIS	- AYE
	MR. WYATT	- AYE
	MR. LARAMORE	- AYE
	MR. HAIRSTON	- AYE
	MR. TURNER	- AYE
	MR. REYNOLDS	- AYE
	DR. GLASS	- AYE

**CHAIRMAN ASKS FOR BOARD MEMBERS' CONSENSUS BEFORE HE OBTAINS INSURANCE ON WHITE MILL BUILDING FOR APPROXIMATELY \$17,000.
ALL MEMBERS AGREED**

MEETING ADJOURNED

MR. RUSSELL REYNOLDS
SECRETARY

T. NEAL MORRIS
CHAIRMAN

**RESOLUTION OF THE
INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA**

WHEREAS, Averett University of Danville Virginia (the “University”), a not-for-profit institute of higher learning, operates on two campuses in the City of Danville, Virginia (the “City”): (a) a North Campus, generally located on approximately 70 acres of land in the City, on the west side of Mount Cross Road (State Route 750), with its eastern boundary being Mount Cross Road (near its intersection with State Route 1517) and its western boundary being the Sandy River, approximately one mile northwest of the intersection of Mount Cross Road and Piedmont Drive in the Piedmont Mall area of the City (the “North Campus”), and (b) a Main Campus, generally located on approximately 20 acres of land in the City bordered on the south by West Main Street, on the west by Mountain View Avenue, on the north by Surry Lane and on the east by Robertson Avenue (the “Main Campus” and, together with the North Campus, the “Campus”);

WHEREAS, the University desires to refund the remaining outstanding principal amount of the \$15,000,000 Educational Facilities Revenue and Refunding Bond (Averett University Project), Series 2010 (the “2010 Bonds”), previously issued by the Industrial Development Authority of Danville, Virginia (the “Authority”), for the benefit of the University to finance or refinance the costs of acquiring, constructing and equipping various facilities located on the Campus;

WHEREAS, the University desires to finance the renovation and rehabilitation of Main Hall and other student housing facilities located on the Main Campus and the funding of certain working capital expenditures related to such projects (collectively, the “New Projects”);

WHEREAS, the University has requested that the Authority issue additional revenue bonds (collectively, the “2017 Bonds”), in one or more series, for the purpose of providing funds to (1) refund the 2010 Bonds, (2) finance the New Projects, (3) pay the costs of issuance of the 2017 Bonds, (4) pay, if desired, the interest on a portion of the 2017 Bonds for the period of construction and acquisition of the New Projects and for up to one year thereafter and (5) establish, if desired, reserve funds to secure the 2017 Bonds;

WHEREAS, a public hearing has been held by the Authority as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), and Section 15.2-4906 of the Industrial Development and Revenue Bond Act, as amended (the “Act”);

WHEREAS, the University in its appearance before the Authority has described the benefits of undertaking the refunding of the 2010 Bonds and the financing of the New Projects; and

WHEREAS, there have been made available for this meeting drafts of the following instruments (the “Financing Documents”), which the Authority proposes to execute or approve to carry out the issuance and sale of the 2017 Bonds, copies of which instruments shall be filed with the records of the Authority:

(a) Bond Trust Indenture, between the Authority and U.S. Bank National Association, as trustee (the "Trustee");

(b) Loan Agreement, between the Authority and the University;

(c) Bond Purchase Agreement, between B.C. Ziegler and Company (the "Underwriter"), the Authority and the University; and

(d) Preliminary Official Statement of the Authority relating to the public offering of the 2017 Bonds (the "Preliminary Official Statement").

NOW, THEREFORE, BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA:

1. It is hereby found and determined that the issuance of the 2017 Bonds for the purposes set forth above will be in the public interest of the Commonwealth of Virginia and the City of Danville, Virginia, and its environs and is consistent with the purposes of the Act, and will benefit the Commonwealth of Virginia, the City of Danville, Virginia, and their inhabitants by promoting educational and economic opportunities in the City and the Commonwealth. The Authority hereby agrees to assist the University by issuing the 2017 Bonds in an aggregate principal amount not to exceed \$16,000,000, upon terms and conditions to be mutually agreed upon between the Authority and the University as provided below and subject to the requirements of the Act. The Authority hereby determines that proceeds of the 2017 Bonds may be used to pay interest on the 2017 Bonds attributable to the New Projects for the period of construction of the New Projects and for up to one year thereafter.

2. The Authority hereby authorizes the issuance of the 2017 Bonds, in one or more series (including a taxable series if requested by the University), pursuant to the provisions of the Act and the Financing Documents, the sale of the 2017 Bonds to the Underwriter, and the loan of the proceeds of the 2017 Bonds to the University.

3. The Chairman or the Vice Chairman of the Authority, either of whom may act (the "Authorized Officers"), are each hereby authorized and directed to approve the final terms of the 2017 Bonds, including principal amount, maturities, interest rates and redemption prices, dates and amounts; provided, however, that (a) the aggregate maximum principal amount of the 2017 Bonds shall not exceed \$16,000,000, (b) the 2017 Bonds shall bear interest at a fixed rate not to exceed 7.000% per year, (c) no 2017 Bond shall mature beyond December 31, 2048, and (d) no redemption price of the 2017 Bonds shall exceed 3.0% of the principal amount.

4. The Authorized Officers are each authorized to execute and deliver the Financing Documents to which the Authority is a party, which shall be in substantially the forms made available for this meeting, which are hereby approved, with such completions, omissions, insertions and changes not inconsistent with this resolution as may be approved by the officer executing them, his execution to constitute conclusive evidence of his approval of any such completions, omissions, insertions and changes.

5. The Authorized Officers are each hereby authorized to consent to the distribution by the Underwriter of the Preliminary Official Statement in a form deemed "final" as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"), to prospective purchasers of the 2017 Bonds. The Preliminary Official Statement shall be in substantially the form made available for this meeting, which is hereby approved, with such completions, omissions, insertions and changes as may be approved by the Authorized Officers. The distribution of the Preliminary Official Statement shall constitute conclusive evidence of the approval of any such completions, omissions, insertions and changes and that the Authority has deemed such Preliminary Official Statement to be "final" as of its date. The Authorized Officers are each authorized and directed to approve such completions, omissions, insertions and other changes to the Preliminary Official Statement necessary to reflect the terms of the sale of the 2017 Bonds, determined as set forth in paragraph 2, and appropriate to complete it as an official statement in final form (an "Official Statement") and to execute and deliver such Official Statement to the Underwriter. Execution of the Official Statement by an Authorized Officer shall constitute conclusive evidence of such officer's approval of any such completions, omissions, insertions and changes and that the Official Statement has been deemed final by the Authority as of its date within the meaning of Rule 15c2-12.

6. The Authorized Officers are each hereby authorized and directed to accept from the University a promissory note (the "Note") as evidence of the University's repayment obligation for the loan provided for in the Loan Agreement and to assign by endorsement and deliver the Note to the Trustee as security for the 2017 Bonds.

7. The Authorized Officers are hereby authorized and directed to execute the 2017 Bonds by manual or facsimile signature, and the Secretary of the Authority and the Assistant Secretary, either or whom may act, are authorized and directed to have the seal of the Authority affixed or printed thereon and to attest such seal by manual or facsimile signature. The Authorized Officers are authorized and directed to deliver the 2017 Bonds to the Trustee.

8. The officers of the Authority are hereby authorized and directed to execute, deliver and file all certificates and instruments, including (without limitation) an Internal Revenue Service Form 8038, swap integration documents, and a non-arbitrage and tax compliance certificate, and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the 2017 Bonds, the refunding of the 2010 Bonds or the financing of the New Projects.

9. Any authorization herein to execute a document shall include authorization to record such document where appropriate and to deliver it to the other parties thereto.

10. At the request of the University, the Authority hereby approves the selection of Hunton & Williams LLP as bond counsel to supervise the proceedings and approve the issuance of the 2017 Bonds.

11. All costs and expenses in connection with the issuance of the 2017 Bonds, including fees and expenses of bond counsel and out-of-pocket expenses of the Authority,

shall be paid from the proceeds of the 2017 Bonds to the extent allowed by law. If for any reason the 2017 Bonds are not issued or if the proceeds thereof cannot be used to pay all such expenses, it is understood that all such costs and expenses shall be paid by the University and that the Authority shall have no responsibility therefor.

12. In adopting this resolution the Authority intends to evidence its "official intent" (within the meaning of Treasury Regulations Section 1.150-2 promulgated under the Code) that New Project expenditures made prior to the issuance of the 2017 Bonds be reimbursed with proceeds of the 2017 Bonds.

13. The Authority hereby recommends that the City Council of the City of Danville, Virginia (the "City Council"), approve the issuance of the 2017 Bonds, as required by Section 147(f) of the Code and Section 15.2-4906 of the Act. The Authority hereby directs the Secretary of the Authority to submit to the City Council this resolution, the University's Fiscal Impact Statement and a summary of the public hearing held by the Authority prior to the adoption of this resolution.

14. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the 2017 Bonds, the refunding of the 2010 Bonds and the financing of the New Projects are hereby authorized, ratified, and approved.

15. This resolution shall become effective immediately and shall expire on December 31, 2017, if the 2017 Bonds have not been issued on or before such date.

APPROVED:

Chairman

ATTEST:

Secretary

Approved as to
Form and Legal Sufficiency:



City Attorney

CERTIFICATE

The undersigned Secretary of the Industrial Development Authority of Danville, Virginia (the "Authority"), hereby certifies that the foregoing is a true, correct and complete copy of a resolution adopted by a majority of the Directors of the Authority present and voting at a meeting duly called and held on November 14, 2017, in accordance with law, and that such resolution has not been repealed, revoked, rescinded or amended, and is in full force and effect on the date hereof.

WITNESS the following signature this ____ day of November, 2017.

(SEAL)

Secretary, Industrial Development Authority of
Danville, Virginia

Recommendation 5 – Authority to Issue Bonds to Refinance 2010 Bonds and Take \$2M in Additional Capital

Averett University of Danville, Virginia (Averett)

**RESOLUTION OF THE BOARD OF TRUSTEES
OF AVERETT UNIVERSITY OF DANVILLE, VIRGINIA**

WHEREAS, the Industrial Development Authority of Danville, Virginia (the “Authority”), has previously issued its \$15,000,000 Educational Facilities Revenue and Refunding Bond (Averett University Project), Series 2010 (the “2010 Bond”), and loaned the proceeds thereof to Averett University of Danville, Virginia (the “University”);

WHEREAS, the Board of Trustees of the University (the “Board”) has determined that it is necessary and desirable to undertake the renovation and rehabilitation of Main Hall and other student housing facilities located on the Main Campus and the funding of certain working capital expenditures related to such projects (collectively, the “New Projects”);

WHEREAS, the Board intends to request that the Authority issue its revenue bonds (the “2017 Bonds”), in one or more series, for the purpose of providing funds to (1) refund the 2010 Bond, (2) finance the New Projects, (3) pay the costs of issuance of the 2017 Bonds, (4) pay, if desired, the interest on a portion of the 2017 Bonds for the period of construction and acquisition of the New Projects and for up to one year thereafter and (5) establish, if desired, reserve funds to secure the 2017 Bonds;

WHEREAS, the 2017 Bonds are expected to be sold to B.C. Ziegler and Company (the “Underwriter”), pursuant to the terms of a Bond Purchase Agreement (the “Bond Purchase Agreement”) between the University, the Authority and the Underwriter, and the Underwriter is expected to offer the 2017 Bonds to the public pursuant to an Official Statement (the “Official Statement”);

WHEREAS, the 2017 Bonds will be issued pursuant to a Trust Agreement between the Authority and a bond trustee chosen by the University (the “Trust Agreement”), and the proceeds of the 2017 Bonds will be loaned to the University pursuant to a Loan Agreement between the University and the Authority (the “Loan Agreement”);

WHEREAS, the 2017 Bonds will be secured by a promissory note (the “Note”) in an aggregate principal amount equal to the aggregate principal amount of the 2017 Bonds;

WHEREAS, the Note will be issued as an Obligation under a Master Trust Indenture between the University and a master trustee chosen by the University;

WHEREAS, the Note will be secured by a Credit Line Deed of Trust (the “Deed of Trust”) of the University granting a first lien on all or a portion of the University’s real property and a security interest in certain of its personal property;

WHEREAS, there has been presented to this meeting a plan of finance;

WHEREAS, the Board desires to authorize the Chairman of the Board (the "Chairman"), the President of the University (the "President") and the Vice President for Business and Finance of the University (the "Vice President") to proceed in negotiating the final terms of the 2017 Bonds and the loan of the proceeds of the sale thereof to the University, subject to the limitations contained in this Resolution;

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF
AVERETT UNIVERSITY OF DANVILLE, VIRGINIA:**

1. The Board hereby designates the Chairman, the President and the Vice President, any of whom may act individually or collectively at their discretion, as Authorized Officers under this Resolution.

2. The Board hereby approves the financing of the New Projects, the refunding of the 2010 Bond, and the issuance of the 2017 Bonds in one or more series and requests that the Authority issue the 2017 Bonds and loan the proceeds thereof to the University. The Board authorizes the Authorized Officers to approve the final terms of the 2017 Bonds, including the provisions relating to interest rates, maturities and redemption provisions; provided, however, that (a) the aggregate principal amount of the 2017 Bonds shall not exceed \$16,000,000 and (b) the 2017 Bonds shall not mature beyond December 31, 2048.

3. The Authorized Officers are hereby authorized to approve, execute and deliver, as appropriate, all such documents, instruments and certificates as are necessary or desirable in connection with the issuance of the 2017 Bonds, the refunding of the 2010 Bond, and the financing of the New Projects, including without limitation, the Trust Agreement, the Loan Agreement, the Official Statement, the Note, the Deed of Trust, the Master Indenture and escrow or similar agreements with respect to the 2010 Bond. The Authorized Officers are hereby authorized to select a bank or trust company to serve as the master trustee, bond trustee and escrow agent for purposes of the transactions contemplated by this Resolution.

4. The Authorized Officers are authorized and directed to deem the Preliminary Official Statement and/or a final Official Statement or a draft thereof as an official statement that is final except for the omission of certain information, all in accordance with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

5. The officers of the University are hereby authorized and directed to approve, execute and deliver and file and record, as appropriate, all other certificates, documents, agreements and instruments and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the 2017 Bonds, the refunding of the 2010 Bond and the financing of the New Projects.

6. All other actions of the officers of the University that are in conformity with the purposes or intent of this Resolution and in furtherance of the issuance of the 2017 Bonds, the refunding of the 2010 Bond and the financing of the New Projects are hereby ratified, approved and confirmed.

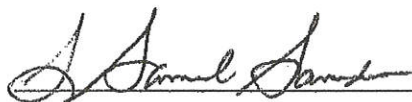
7. This Resolution shall take effect immediately upon its adoption.

CERTIFICATE

The undersigned Secretary of the Board of Trustees of Averett University of Danville, Virginia (the "University"), hereby certifies that the foregoing is a true, correct and complete copy of a resolution (the "Resolution") adopted at a meeting duly called and held on November 4, 2017, at which a quorum was present and acting throughout.

The Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on the date hereof.

WITNESS the following signature this 7th day of November, 2017.

A handwritten signature in dark ink, appearing to read "Samuel Sanderson", written over a horizontal line.

Chair, Board of Trustees
Averett University of Danville, Virginia

PRESENTED: November 14, 2017

ADOPTED: November 14, 2017

RESOLUTION NO. 2017-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT
AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING
STAFF TO PROCEED WITH THE DESIGN PHASE OF UPGRADING THE
SIGNAGE AT AIRSIDE INDUSTRIAL PARK AT A COST NOT TO EXCEED
\$25,000.

NOW THEREFORE, BE IT RESOLVED, by the Industrial
Development Authority of Danville, Virginia, that it hereby
approves and authorizes the cost not to exceed \$25,000 for
staff to proceed with the design phase of upgrading the
signage at the entrance to Airside Industrial Park to reflect
a more modern and inviting perception of the park; and

BE IT FURTHER RESOLVED, that final plans will be
presented to the board for approval.

APPROVED:

Chairman

ATTEST:

SECRETARY

Approved as to
Form and Legal Sufficiency:



City Attorney

AIRSIDE

INDUSTRIAL PARK

Nestlé

ecomnets

SHOREWOOD

PIEDMONT PRECISION
MACHINE CO., INC.

ESSEL PROPACK

TELVISTA



PRESENTED: November 14, 2017

ADOPTED: November 14, 2017

RESOLUTION NO. 2017-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE APPROVING AND AUTHORIZING JOHN SELBACH OF THE LAW FIRM LECLAIR RYAN TO REPRESENT THE AUTHORITY ON MATTERS DEALING WITH PROSPECTS FROM THE UK.

WHEREAS, the Industrial Development Authority of Danville, Virginia (IDA) has been using John Selbach of the law firm, LeClair Ryan, in Richmond to represent the IDA in dealing with UK prospects; and

WHEREAS, the UK prospects are represented by Pat Gottschalk, also a Richmond attorney with the Williams Mullen firm; and

WHEREAS, Mr. Selbach's work has been very satisfactory; and

WHEREAS, to meet the requirements of Mr. Selbach's firm the IDA must sign the attached Engagement Letter with LeClair Ryan.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that it does hereby approve and authorize the Chairman, or in his absence any officer, to execute the Engagement Letter with LeClair Ryan, to allow Mr. John Selbach to continue his work with the IDA in dealings with prospects from the UK.

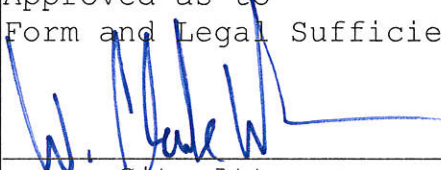
APPROVED:

Chairman

ATTEST:

Secretary

Approved as to
Form and Legal Sufficiency:



City Attorney



November 14, 2017

**CONFIDENTIAL ATTORNEY-CLIENT
PRIVILEGE ASSERTED**

Industrial Development Authority of Danville, Virginia
Attn: Linwood Wright
P.O. Box 3300
Danville, Virginia 24543

Re: Engagement of LeClairRyan, A Professional Corporation

Dear Linwood:

The purpose of this letter is to confirm the terms of the engagement of LeClairRyan, A Professional Corporation ("LeClairRyan" or the "Firm"), to represent the Industrial Development Authority of Danville, Virginia (the "IDA") in connection such legal services as may be requested by the IDA from time to time, and where LeClairRyan accepts such engagement. We thank you for this opportunity and we are excited to be working with you.

I will be the attorney in charge of the IDA's work and your primary contact with the Firm. You should always feel free to call me on any matter. However, I will ask other lawyers and colleagues to assist on matters as necessary and appropriate.

I will keep you informed of the progress of the IDA's work, but should you have any questions or suggestions, please call me at my office or on my mobile (804-240-3578). If I am not in the office, ask for my legal assistant, Suzanne Kearns. She often can assist you if I am not available.

We may communicate by email with you, including sending you documents and information as attachments to email messages. Although we will take what we believe to be reasonable precautions, we are mindful that the Internet is not a completely secure medium. However, we believe the medium is an efficient and cost effective way to communicate with you, and most of our clients expect us to use the Internet. If you prefer that we not communicate with

E-mail: john.selbach@leclairryan.com
Direct Phone: 804.343.4388
Direct Fax: 804.916.7288

919 East Main Street, Twenty-Fourth Floor
Richmond, Virginia 23219
Phone: 804.783.2003 \ Fax: 804.783.2294

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NEW YORK \ PENNSYLVANIA \ RHODE ISLAND \ TEXAS \ VIRGINIA \ WASHINGTON, D.C.

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you by way of email, please let us know. If you do not so advise us, we will assume you authorize us to use e-mail to communicate with you.

Fee Arrangement

For services rendered under this agreement, we will bill the IDA for services rendered at hourly rates based on the experience of the attorney assigned to a particular issue or matter and the complexity and urgency of the matter at hand. We will charge an hourly rate for my services at \$395 per hour. The hourly rates for other partners in our Firm who may work on IDA matters may range from \$350 to \$555; the hourly rate for associates in our Firm who may work on IDA matters may range from \$250 to \$350. On any particular matter, we will utilize the services of the attorney or attorneys best qualified to handle the matter as efficiently as possible. We also will utilize the services of our paralegals and legal assistants when we feel that the task is suited for their experience and capabilities and when cost savings can be achieved. Hourly rates for our attorneys, paralegals and legal assistants are reviewed annually and may change.

In addition to our fees, our monthly statements will set forth expenses incurred and costs advanced by our Firm on the IDA's behalf for which the IDA will be responsible. These include, but are not limited to, filing fees, postage, travel costs, computer research, long distance telephone calls and photocopies. It is our Firm's policy not to advance any substantial costs or expenses and we may ask the IDA to make direct payment or provide us with necessary funds should such costs or expenses be anticipated.

If the scope of our services is enlarged beyond that described in this first paragraph of this agreement and in our judgment a fee arrangement different from the foregoing would be appropriate, we will discuss with you a separate fee arrangement for that work. Absent such a discussion, our services will be charged as set forth above.

Termination of Services by the IDA

This agreement may be canceled by written notification to the undersigned attorney at any time. If LeClairRyan has performed services, reasonably advanced (or agreed to advance) funds, or incurred (or agreed to incur) costs in representation of the IDA prior to its receipt of such notification, LeClairRyan is entitled to be paid and reimbursed for such services, advances, and costs.

Withdrawal

LeClairRyan may withdraw from representation, and the IDA agrees to execute such documents to permit such withdrawal, if necessary, whenever LeClairRyan determines in its sole opinion that it cannot continue effective representation for any just reason as permitted by the applicable Rules of Professional Conduct and rules of court, including, without limitation, the

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failure to pay any invoice for services rendered and expenses incurred within 30 days after presentment of such invoice or misrepresentation of, or failure to disclose, material facts to LeClairRyan. The IDA shall not be responsible for any costs and expenses incurred by LeClairRyan after the date of its withdrawal or for attorneys' fees for work performed by LeClairRyan after the date of its withdrawal.

* * * *

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If the foregoing is satisfactory to the IDA, please sign the enclosed copy of this letter and return it to me. This will evidence the IDA's engagement of LeClairRyan on the terms and conditions set forth in this letter.

We endeavor at all times to provide helpful and cost effective services. To this end, we urge you to speak freely with us regarding your goals and concerns, as they may change from time to time, including an assessment of services being provided to the IDA. We appreciate the confidence that you have shown in LeClairRyan, and we look forward to working with you.

Very truly yours,

LeCLAIRRYAN
A Professional Corporation

By: John C. Selbach
John C. Selbach
Vice President

SEEN AND AGREED:

INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA

Name:

Title:

PRESENTED: November 14, 2017

ADOPTED: November 14, 2017

RESOLUTION NO. 2017-____.____

RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF DANVILLE, VIRGINIA RATIFYING PRIOR ACTION TO ALLOW AXNANO,
LLC TO SUBLEASE PART OF 527 BRIDGE STREET, SUITE 301.

WHEREAS, the Authority desires to show full and
complete compliance with any and all statutory requirements
and full technical adherence to any and all legal, moral and
ethical standards for the performance of its duties.

NOW THEREFORE, BE IT RESOLVED by the Industrial
Development Authority of Danville, Virginia that:

All actions of the Chairman of the Authority, for
and on behalf of the Authority prior to the date hereof are
in all respects ratified, approved and confirmed for the
action taken to allow AxNano, LLC to sublease a part of their
leased space to Vapor Technologies International, Inc., with
the initial sublease being for 6 months and starting on
November 1, 2017.

AND BE IT FURTHER RESOLVED that the Chairman of the
Industrial Development Authority of Danville, Virginia, is
hereby authorized to approve and sign any required documents,
amendments, and perform any other duties needed to complete
the above-mentioned transaction.

APPROVED:

CHAIRMAN

CERTIFICATE

I, the undersigned Secretary of the Industrial Development Authority of Danville, Virginia (the "Authority"), hereby certifies that the foregoing is a true, correct and complete copy of the Resolution duly adopted by a majority of the Directors of the Industrial Development Authority of Danville, Virginia present and voting at a meeting duly called and held on November 14, 2017, all in accordance with law, and that such Resolution has not been repealed, revoked or rescinded but is in full force and effect on the date hereof.

WITNESS my hand and the seal of the Authority this
_____ day of November, 2017.

By _____
SECRETARY
INDUSTRIAL DEVELOPMENT AUTHORITY OF
THE CITY OF DANVILLE, VIRGINIA

ATTEST:

SECRETARY

Approved as to
Form and Legal Sufficiency:



CITY ATTORNEY



October 16, 2017

Industrial Development Authority of Danville
City of Danville
P.O. Box 3300
Danville, VA 24543

To: T. Neal Morris (Chair), Linwood Wright, Clarke Whitfield, III Esq.

Subject: Sublease Notice, 527 Bridge St., STE 301, Danville, VA

Dear Mr. Turner,

Pursuant to section 11.3 of the AxNano, LLC lease agreement for referenced space executed 1 July 2012, AxNano would like to sublease a portion of this space to Directed Vapor Technologies International, Incorporated headquartered at 2 Boar's Head Lane, Charlottesville, VA 22903. The initial 6 month sublease is expected to start 1 November 2017 post your review. Please let me know if you have any questions or need additional information.

Best Regards,

Charles B. Gause

A handwritten signature in blue ink, appearing to read 'Ch B. Gause', is written below the printed name.

Founder & CEO AxNano, LLC
527 Bridge St., STE 301
Danville, VA 24541
(540) 230-3881
www.axnano.com